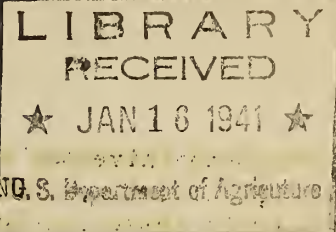


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TWENTY YEARS OF MARKET NEWS BROADCASTING

A program devoted to the first use of radio in distributing farm market reports. Participants: E. J. Rowell, from Washington; E. R. Biddle, from New York; L. M. Wyatt, and C. W. Kitchen, from Chicago; and Frank H. McCampbell, from San Francisco . . . all of the Agricultural Marketing Service. Presented in the Department of Agriculture portion of the National Farm and Home Hour, Monday, December 16, 1940, over stations associated with the NBC Blue network.

---ooOoo---

OPEN WITH SOUND OF TELEGRAPH KEY SENDING "QST" - - - - REPEATING THREE TIMES FULL, THEN FADE UNDER.

KADDERLY: (On cue)

Q-S-T.....Q-S-T.....Q-S-T

That's what the wireless key is saying.

To the wireless operator it means "Call to all stations".....or, "Everybody listen."

Exactly twenty years, nineteen hours, and thirty five minutes ago, that call went out into the air from radio telegraph station NAA, operated by the Bureau of Standards here in Washington. It was followed with the first broadcast of farm market reports in history, ----- the beginning of an experiment in the daily broadcasting of market news by the then Bureau of Markets of the Department of Agriculture (now called the Agricultural Marketing Service).

(TELEGRAPH KEY OUT).

Today millions of farmers and others receive information from farm markets..... not in the form of dots and dashes, but through the voices of people.

In a few minutes we shall hear from representatives of the Agricultural Marketing Service in New York, Chicago, and San Francisco... as they review some of the developments in marketing methods and market reporting over the span of 20 years.

But now..... more about that first broadcast of market news, twenty years ago..... from E. J. "Mike" Rowell.

Mike, what was contained in that report?

ROWELL:

It started like this -- "This daily report will give daily market prices and conditions on leading farm products. It is prepared by the U. S. Bureau of Markets and released daily at 5:00 P.M. from the U. S. Bureau of Standards' radio station. Receiving operators will please deliver report to newspapers, County Agricultural Agents, farmers' organizations, shippers, and others interested. . . .

(over)

Estimated livestock receipts at 7 markets: Cattle 34,200; calves, 5,800; hogs, 112,000; sheep, 43,800. Top price Chicago: hogs 9 dollars and 15 cents, yearling steers 14 dollars and 50 cents."

And it went on with about 500 words of market news.

KADDERLY:

How many people do you suppose heard that message?

ROWELL:

Probably only a handful of wireless operators.

KADDERLY:

And what did they do with it?

ROWELL:

They copied it down . . . posted it in the local stores where farmers gathered, and phoned it to county agents and the newspapers. Within a few months the wireless telegraph method of broadcasting market reports was extended to stations in Bellfonte, Pennsylvania; St. Louis, and Omaha.

KADDERLY:

And the experiment was no longer an experiment.

Mike, when were market reports first broadcast by voice . . . or radiophone as it was called in those days?

ROWELL:

According to our records the first broadcast by voice was over KDKA on May 19, 1921. The information for that message was provided by J. K. Boyd, who for all of these 20 years and more has been in charge of our Market News office in Pittsburgh.

KADDERLY:

Thanks, Mike - - for this historical background.

Farm and Home friends, we shall hear now from some of the market news reporters themselves. . . . as we start a swing across the country - - -

Taking you first to . . . New York.

N. Y. ANNOUNCER:

In our New York studios is Mr. E. R. Biddle who is in charge of the Fruit and Vegetable Market News Office of the Agricultural Marketing Service here in New York City.

Mr. Biddle, I suppose there have been many changes in the market news work on the New York market during the past 20 years.

BIDDLE:

Yes, many changes. Probably the biggest change has been brought about by the decrease in the quantity of fruits and vegetables arriving by rail and the increase in the receipts by truck.

N. Y. ANNOUNCER:

How much have the receipts by truck increased?

BIDDLE:

Our figures on truck receipts don't go back 20 years, but ten years ago less than one-seventh of the fruits and vegetables received in New York came by truck. Today, more than a third come by truck. It would have taken 80 thousand railroad cars to bring in what came by truck last year. And those trucks came from 22 States.

N. Y. ANNOUNCER:

There must be a reason behind such a great increase in movement of fruits and vegetables by truck. What is it?

BIDDLE:

Well, I would say that the biggest reason is the use of trucks by nearby farmers who want to get their products on the market just as quickly as possible. Good roads and the truck have made it easier for these farmers to ship whenever it is most convenient -- they don't have to depend on somebody else's schedule. Also, today, there are a good many truckers who go from farm to farm buying produce that they bring into this market or to sell in other places.

N. Y. ANNOUNCER:

And how did this increase in the use of the motor truck change your work -- and those who work with you in covering the market?

BIDDLE:

For one thing we had to get on the market earlier. And we have speeded up the process of getting the market reports out to the farmer and others interested

20 years ago, most farmers didn't get their market reports until the day after they were issued. 18, - 15, even - 12 years ago the market reports were being broadcast around six o'clock in the evening, -- more recently at noon, -- and now both at noon and early in the morning.

N. Y. ANNOUNCER:

In other words, the farmer wanted the reports sooner -- and is now getting them a full working day earlier than 20 years ago -- thanks to radio.

BIDDLE:

That's right.

N. Y. ANNOUNCER:

You said you had to get on the market earlier. How much earlier?

BIDDLE:

We used to get down there around seven o'clock each morning -- now we have to be there around three o'clock during the summer and fall.

N. Y. ANNOUNCER:

Three o'clock -- that's plenty early --

BIDDLE:

Not a bit too early. Trading begins long before midnight. There has been enough trading by three o'clock so that we are able to begin getting information on supplies and whether prices are heading up, standing still or going down. We cover the market as well as we can by six o'clock, prepare a preliminary report, telephone it to a radio station, and it's on the air at six-thirty.

N. Y. ANNOUNCER:

On the air and in the farmer's home at six-thirty.

BIDDLE:

That's right.

When the bulk of the trading is over for the day, we get back to the office and get out a complete mimeographed report. Soon after nine o'clock the highlights of this is picked up at our office by the press associations and sent over their wires to newspapers and radio stations. The direct wire of the Agricultural Marketing Service carries information about the New York market to leading markets all over the country. So, within a few hours interested farmers, dealers and others -- even thousands of miles away know about supplies and prices on the New York market.

N. Y. ANNOUNCER:

Farm and Home friends -- to continue this story of market news reporting we take you now to Chicago.

MITCHELL:

We've heard about fruits and vegetables from E. R. Biddle. The Chicago part of this market news story has to do with livestock -- livestock market news.

L. M. Wyatt of the Chicago office of the Federal market news service is here to help us review these past 20 years.

Where do we start, Lem?

WYATT:

At the beginning of market news broadcasting. The first broadcasts were actually a review of the day's trading. They were on the air in the late afternoon or early evening. They gave information which would be helpful to a farmer in planning his future marketing.

MITCHELL:

In 20 years there have been many changes in radio -- and I suppose in market reporting and marketing methods. Tell us about some of them.

WYATT:

We can only hit the high spots. Take reporting first. Each market had its own way of describing livestock when this market news service was started. Today -- we have official terms and they are the same on every market.

MITCHELL:

So now "Choice cattle" means the same thing on markets in all parts of the country as it does here in Chicago -- a common language.

WYATT:

That's the basis of today's market reports. Our reports today also give more details on weights, classes and where the livestock is going when it is sold.

MITCHELL:

Well, now, what are some of the ways the marketing of livestock has changed.

WYATT:

Lighter receipts at the big stockyards - direct buying - auction markets - concentration points - more interior packing plants - quick frozen meats - increased use of trucks - changes in. . . .

MITCHELL:

Not quite so fast -- let's go into some of these changes.

"Lighter receipts at the big stockyards". Why?

WYATT:

Many of the packers are now buying direct -- at the farm. They've also built packing plants nearer the places where the livestock is raised and finished for market.

MITCHELL:

You mentioned auction markets and concentration points.

WYATT:

Yes, instead of sending their livestock to the large public markets, as their fathers did, some farmers now sell at local auction markets. Many of these auctions don't start selling until their radio has given them reports from some of the big markets.

MITCHELL:

In other words -- radio helps the farmers get what their livestock is worth -- whether they sell through an auction market or any one of the central markets.

WYATT:

That's exactly it.

MITCHELL:

Tell me, Lem, haven't the motor trucks and modern highways made it possible for many farmers to send their cattle, sheep or hogs to market after they have heard a report over the air?

WYATT:

That has happened many times. . . especially where the farmer lives fairly close to the market. This is possible today because the livestock market reports are on the air several times a day - beginning early in the morning.

MITCHELL:

We haven't hit all those high-spots you mentioned.

WYATT:

And I could have mentioned more!

MITCHELL:

I don't doubt it! But to wind up this story -- tell us about the regular daily reports you get out.

WYATT:

Come down some morning -- some nice cold morning -- this month or next- - - and I'll show you how we get the information and get out the reports.

MITCHELL:

Thanks for the invitation -- but that wouldn't help the listeners. . . so just tell, a little, about your daily reports. . . now won't you?

WYATT:

Well, we start the day with a report on estimated receipts....that's about 6:30 in the morning. Soon after trading begins we get out an early flash. Later, a mid-session report giving the trend of the market. Then, about 12:30 or 1:00 o'clock, we prepare a final, complete report on the day's trading.

MITCHELL:

And each one of these reports I suppose, is sent immediately to all parts of the country.

WYATT:

Right! And, it's only a matter of a few hours -- as Mr. Biddle pointed out for fruits and vegetables --- until farmers and others interested in livestock know just what transpired on the leading markets that day.

MITCHELL:

It's a great system -- calling for cooperation all along the line.

It's been very, very nice to have you here today, Lem Wyatt - - and maybe some day next spring. . . when it warms up . . . I'll take you up on that invitation to make the rounds with you.

Now we must hurry along and push farther westward.

To hear from another market news reported, we take you to San Francisco.

GAPEN:

And here is Frank McCampbell who is in charge of the Dairy and Poultry Products Division of the Agricultural Marketing Service in San Francisco.

Frank, how true is it that the vast dairy and poultry industries of the Western States look to San Francisco as their key market.

McCAMPBELL:

Well, Ken Gapen, San Francisco has been called the "Chicago" of the Pacific Coast. Millions of dollars worth of dairy and poultry products are sold each year on the basis of San Francisco prices.

GAPEN:

Which means that the accurate and reliable reporting of dairy and poultry prices is a big responsibility.

McCAMPBELL:

It is a big responsibility now, but it wasn't when I took the job on October 4, 1920. However, prices were big enough then. Butter - 65 cents a pound. Cheese - 32 cents. And eggs - 82 cents a dozen.

GAPEN:

Frank, you must have seen as many developments in market news reporting as changes in prices.

McCAMPBELL:

Well, almost. Twenty years ago less attention was paid to our daily prices because the dairy and poultry industries used exclusively, the quotations issued by the old San Francisco Dairy Produce Exchange. We had no leased wire to Eastern offices then and received only two small market wires a day. And the Dairy and Poultry Division had only this one office in the West.

GAPEN:

But today you also have offices at Los Angeles, Portland and Seattle.

McCAMPBELL:

Yes, and three full-time telegraphers and one short wave radio operator are needed in San Francisco, to transmit the large volume of market news information.

GAPEN:

Frank, wholesale prices are important parts of the market news. How do you establish these prices? Or is it too complicated?

McCAMPBELL:

Not at all. We call on receivers, distributors, buyers, wholesalers and others, and get reports of actual sales. We attend meetings of the produce exchanges and note sales, bids and offers.

GAPEN:

Being a market news agency, you report prices based on actual sales, and which represent the value of the commodity.

McCAMPBELL:

That's right, Ken. We report prevailing prices, but do not set or make the market. Our prices of butter, cheese, eggs and poultry are used in many states as a basis for purchases from producers, and sales to shippers, wholesalers and retailers.

GAPEN:

Then the present San Francisco Mercantile Exchange you spoke of does not issue prices as it did 20 years ago.

McCAMPBELL:

No the Department's prices are the only ones issued and are the recognized official quotations.

Other market news information is also very important to farmers. They used to be in the dark, or at least several days late, as to values and market conditions. They had little to say in determining market prices. But today, farmers have all the latest market news information by radio, telephone, telegraph and mail.

GAPEN:

Then really the Market News Service has developed because farmers, wholesalers, and buyers have asked for more and more market information.

McCAMPBELL:

Yes, since 1920 we have added many kinds of market news and information services.

GAPEN:

Frank, a lot of people depend on the poultry and egg prices you report. You don't get up before daylight for those, do you?

McCAMPBELL:

No, Ken. Between 9 and 10:30 o'clock in the morning we interview receivers, wholesalers, retailers and country buyers to get live and dressed poultry prices at San Francisco. We compile and release those prices at 11 o'clock each morning.

GAPEN:

And egg prices?

McCAMPBELL:

Every afternoon we contact wholesale dealers and distributors, also the Mercantile Exchange, to determine the wholesale prices. And at 4:30 we release those prices

GAPEN:

..... By radio, telegraph, telephone and mail.

McCAMPBELL:

That's right, and radio is very important, because farmers base their transactions the next day on these prices. And I should add that prices of dairy products are reported and used by farmers in about the same way as egg prices.

GAPEN:

Thank you, Frank McCampbell, for highlighting the last 20 years in market news service in San Francisco. and friends, WE RETURN YOU NOW TO CHICAGO.

MITCHELL:

Back in Chicago -- to conclude this program commemorating the 20th anniversary of the first broadcast of market reports.

We have heard from "Mike" Rowell in Washington; and from market news reporters in New York, Chicago and San Francisco. As you probably knew -- and has been indicated several times today -- the gathering and reporting of market news is one of the functions of the Agricultural Marketing Service in the United

States Department of Agriculture. The man who directs all of the work of the Agricultural Marketing Service is in our Chicago studios today. This man -- Mr. C. W. Kitchen -- was a market news reporter in California 25 years ago.

Mr. Kitchen, we're delighted that you are able to participate in this 20th birthday party. I dare say that all these things that have been said about "20 years ago" are quite familiar to you.

KITCHEN:

Yes, Everett, they are. After all, 20 years isn't a very long time. But they certainly have brought about many changes in market news work -- as Mr. Biddle, Mr. Wyatt, and Mr. McCampbell have indicated.

MITCHELL:

By the way, these men represented only three of your market news services -- fruits and vegetables; livestock; dairy and poultry.

KITCHEN:

True -- but what they said is generally typical of market news reporting on a long list of commodities. In fact, every farm commodity of major importance -- cotton, tobacco, hay, grain, wool, and many others. Furthermore, the reporting is done on all the more important markets.

MITCHELL:

What do you mean when you say "important markets", Mr. Kitchen?

KITCHEN:

I mean such large consuming and distributing points as Atlanta, Boston, New York, Philadelphia, Chicago, Los Angeles, San Francisco, and Portland.

And market news covering several commodities is issued from each of these markets. I also mean shipping points. For example, during the potato shipping season our market news men are stationed at such important shipping points as Presque Isle, Maine; Waupaca, Wisconsin; Idaho Falls, Idaho; and for other commodities, in such places as Salinas, California; Plant City, Florida; and Hammond, Louisiana.

Some 7500 miles of telegraph wires connect our offices in most of the markets. Through this wire system information is exchanged quickly and accurately so that producers of -- say potatoes, in any one part of the country can be quickly informed about prices and supplies of potatoes in all parts of the country.

MITCHELL:

Speaking of potatoes -- I notice that the market quotations on that food are given on the basis of grade -- U.S. No. 1, or U.S. No. 2, or what not. That system of giving prices according to a fixed standard hasn't always been followed, has it?

KITCHEN:

Not always. No nation-wide, commonly-recognized grades were in existence when the first market reports were issued by the Department of Agriculture back in 1915 -- 25 years ago. But today most of the quotations that we report are based on established Federal grades. It wouldn't help much to report prices for

potatoes, or cattle, or butter, or hay, unless the farmer knows how his commodity compares with the quality of the product quoted on. If the farmer has some U. S. No. 1 potatoes, our market quotations make it easy for him to find out how much these potatoes are worth.

MITCHELL:

I can understand that all right! Now, Mr. Kitchen, I wonder if you would define for us what you regard as the real object of the market news service?

KITCHEN:

The object of the market news service is to help to get a better distribution of farm products by getting them to the market where they are most needed, and to place farmers and dealers on an equal bargaining basis. Until we started this market news work, the only way a farmer had of finding out about the market was through a dealer or other financially interested party. Now, the importance of having the work done by a wholly disinterested agency on a large scale is recognized by farmers and dealers alike.

MITCHELL:

And to assist in realizing that objective, radio takes market news to farmers quickly -- so they can use it in their day-by-day business.

KITCHEN:

Yes, indeed! Radio plays a vital part. Today about two-thirds of the farms in the United States have radio receivers. And farm market information is broadcast by more than 400 radio stations one or more times daily on regularly established schedules. This is a fine example of cooperative service in the public interest.

MITCHELL:

Thank you, Mr. Kitchen.

Maybe before another 20 years have passed we'll be seeing the markets as we hear about what goes on in them!

Farm and Home friends, we've been talking about markets, how market news is gathered by specialists of the Agricultural Marketing Service; and how that news quickly reaches the farmer. Here is an example of this service -- the usual "Swing of the Markets" that is included in each National Farm and Home Hour program as a guide to market trends and prices.

(Follow with Swing of the Markets).

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